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TAGS: [KNNP](#) [PARM](#) [PREL](#) [MNUC](#) [ETTC](#) [IN](#) [IR](#)
SUBJECT: (S) NIAG 6023 FOLLOW-UP: INDIAN ENTITY ASSISTANCE
TO BUSHEHR NUCLEAR POWER PLANT

REF: A. NEW DELHI 3385

- [1](#)B. STATE 77164
- [1](#)C. 03 NEW DELHI 4588
- [1](#)D. 03 NEW DELHI 5014
- [1](#)E. 03 NEW DELHI 6911

Classified By: SCA/RA Director John Schlosser for Reasons 1.4 B and D

[1](#)1. (S/NF) BACKGROUND: Per ref B instructions, Embassy New Delhi informed MEA Joint Secretary (Disarmament and International Security) Hamid Ali Rao on May 16 that the Indian firm GEA Energy Systems Ltd. had delivered a large cargo of water filtration equipment to Iran's Bushehr Nuclear Power Plant (BNPP) in mid-January 2006. Embassy urged the GOI to ensure that the GOI prevent Indian firms, including GEA, from cooperating in any manner with Iran's nuclear establishment. Rao responded that the GOI "will consider contacting GEA" and asked how the USG would reconcile its concerns regarding GEA's activities with Russia's construction of BNPP (ref B).

[1](#)2. (S/NF) BACKGROUND CONTINUED: The apparent lack of a GOI commitment to investigate this case and to ensure that GEA and other Indian firms do not cooperate with Iran's nuclear establishment is of great concern to the USG, especially as we move forward with the GOI on the civil nuclear initiative. In addition, this shipment appears inconsistent with previous assurances by Indian officials to senior USG officials that nuclear cooperation with Iran would be "in dissonance" with the transformation of the US-India relationship (ref D). GOI officials also assured the USG that there is no bilateral nuclear cooperation with Iran (refs C and E).

[1](#)3. (U) ACTION REQUEST: Department requests that Post use the points contained in paragraph 4 to follow-up with the GOI at a senior-level on ref A demarche. Points may be left as a nonpaper.

[1](#)4. (S/REL INDIA) Begin points for India:

-- We recently shared with your Government information that the Indian firm GEA Energy Systems Ltd. delivered a large cargo of water filtration equipment to Iran's Bushehr Nuclear Power Plant (BNPP) in mid-January 2006.

-- At the time, you indicated that the GOI would consider contacting GEA.

-- We would appreciate an update on how the GOI has decided to proceed on this case and whether Indian authorities have reached out to GEA and other commercial enterprises to ensure

that there is no further cooperation with BNPP.

-- The USG's concerns with assistance to BNPP are well-known. In light of Iran's IAEA safeguards noncompliance, we continue to press Russia to suspend its cooperation with Iran at Bushehr. Under Secretary Burns reiterated our long-standing opposition in his April 28 public remarks in Moscow. Under Secretary Joseph has also urged senior Russian government officials to suspend construction at Bushehr while Iran is defying the international community by not taking any of the steps called for by the IAEA Board, and you will note that Russia has neither completed the construction nor shipped fuel to Bushehr.

-- Given Iran's continued defiance of the UNSC March 29 Presidential Statement and previous IAEA Board resolutions, and in light of Iran's accelerated efforts to develop a fissile material production capability, it is imperative that any states engaging in cooperation with Iran's nuclear programs reconsider that cooperation.

-- India's affirmative vote for the February 4 resolution, and its own commitment to upholding the international nonproliferation regime, argue strongly in favor of a more firm GOI approach to Iran to persuade the Iranian regime to change course.

-- If the Iranian regime continues its defiance, we will seek a Chapter VII UNSCR requiring Iran to comply. India should not/not be engaged in any form of cooperation with Iran's nuclear establishment in these circumstances.

-- Indian cooperation with Iran on Bushehr would send exactly the wrong signal to the Iranian regime, as well as to the international community, regarding India's stance towards Iran's pursuit of a nuclear weapons capability.

-- We recall that in September 2003 MEA Joint Secretary Jayant Prasad informed then-Assistant Secretary for South Asian Affairs Christina Rocca that nuclear cooperation would be "in dissonance" with the transformation of the US-India relationship.

-- Furthermore, MEA Additional Secretary Sheel Kant Sharma assured USG officials in both August and December 2003 that India has no bilateral nuclear cooperation with Iran ongoing or proposed.

-- We are, therefore, perplexed by how the GEA shipment to Bushehr was able to proceed as the export appears to contravene what your government has communicated to the USG previously on nuclear cooperation with Iran.

-- We strongly urge you again to ensure that GEA engages in no further cooperation with the Bushehr Nuclear Power Plant, as well as to inform Indian companies to stop all exports to and cease any cooperation with Iran's nuclear establishment. This includes to safeguarded facilities such as Bushehr.

-- It is important that India, as a responsible member of the international community and a strategic partner of the United States, be careful not to cooperate with Iran's nuclear program in any manner.

-- We appreciate the opportunity to raise issues of proliferation concern like this one within the framework of our strategic partnership.

End points for India.

15. (U) Please slug all responses for ISN and SCA. Washington appreciates Post's assistance.
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